GOVERNMENT OF INDIA
POWER
LOK SABHA

STARRED QUESTION NO:3
ANSWERED ON:10.08.2007
POWER THEFT
Renge Patil Shri Tukaram Ganpatrao;Thummar Shri Virjibhai

Will the Minister of POWER be pleased to state:

(a) whether power theft is the major impediment for the growth of power sector in the country;

(b) if so, whether the Government had directed the State Governments to launch a special drive against power theft;

(c) if so, the details thereof;

(d) whether private power companies are harassing the consumers in the name of power theft and acting in an arbitrary manner;

(e) if so, the action taken by the Government against them;

(f) whether any special courts are being set up for speedy disposal of power theft cases; and

(g) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI SUSHILKUMAR SHINDE)

(a) to (g) : A Statement is laid on the Table of the House.

STATEMENT

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (g) OF STARRED QUESTION NO. 3 TO BE ANSWERED IN THE LOK SABHA ON 10.08.2007 REGARDING POWER THEFT.

(a) to (c): Theft of electricity is one of the major contributing factors impacting the financial health of power utilities adversely. This also contributes to poor quality of power supply, frequent load shedding and unscheduled outages. The financial health of a power utility is also one of the criteria for assessing the viability of new investments.

The reduction of technical and commercial losses is one of the critical components for improving distribution segment which come largely in the purview of the State. To enable effective control of theft of electricity, the Electricity Act, 2003 has incorporated specific provisions for detection of theft, speedy trial of theft related offences and also for the recovery of the charges of electricity stolen. Based on the feedback from the States and other stakeholders, the Central Government has further strengthened the theft related provisions in the Act by enacting the Electricity (Amendment) Act, 2007.

By this amendment Act, theft of electricity has been explicitly made a cognizable and non-bailable offence. The distribution licensees have been empowered to disconnect the supply of electricity upon detection of theft. The penalty for repeated theft of electricity by large consumers has also been enhanced.

The Central Government has also requested the State Governments to take steps for effectively curbing power theft and has advised the introduction of suitable incentive schemes for such informers who give clue of the source of theft of electricity. The reward in such a scheme is to be linked to the amount of recoveries that can be effected in the cases reported. The State Governments have also been requested to expedite setting up of special courts as provided in the Electricity Act, 2003 for speedy disposal of theft related cases.

The Central Government has built a national consensus to focus on a time bound programme for reduction of Aggregate Technical and Commercial (AT&C) losses. In the Chief Ministers` Conference held under the chairmanship of the Prime Minister on 28th May 2007, a unanimous resolution was adopted which inter alia included the commitment of the States, with appropriate assistance from the Centre, to establish the necessary baseline data and information technology applications for energy accounting and auditing, and for ensuring a resolute elimination of electricity theft. In the Conference, the States committed themselves to achieve and sustain drastic reduction in the overall AT&C losses in the next five years and at least to a level of 15% in the Accelerated Power Development & Reforms Programme (APDRP) project areas.

APDRP was launched in 2002-03 under which additional central assistance was provided to States for taking up technical, commercial and management measures to reduce the losses. The technical measures included upgradation and strengthening of the

distribution system, adoption of High Voltage Distribution System, Information Technology intervention, etc. Commercial measures included metering and billing and improved revenue collection. Management measures included adoption of energy accounting and proper network planning for future expansion, preparation of monitoring of the distribution system, etc.

(d) & (e) : The Electricity Act, 2003 contains provisions to check harassment of consumers while at the same time providing for effective control of theft of electricity. The disconnection of electricity upon detection of theft is to be done only by an officer of the licensee who has been authorized by the Regulatory Commission. It is also mandatory to lodge a First Information Report (FIR) within 24 hours of detection of theft of electricity. The Act also provides for constitution of Forum for redressal of consumers` grievances by the distribution licensee and for an Ombudsman to be appointed by the Regulatory Commission for settling the grievances not resolved in the Forum.

(f) & (g) : Section 153 of the Act empowers the State Government to constitute Special Courts to ensure speedy trial of the offences relating to theft of electricity. States of Andhra Pradesh, Assam, Chhattisgarh, Delhi, Gujarat, Haryana, Himachal Pradesh, Karnataka, Madhya Pradesh, Maharashtra, Orissa, Rajasthan, Tamil Nadu, Uttar Pradesh, Uttarakhand and West Bengal have already constituted special courts for trial of electricity theft cases.